



Attorney General
STATE CAPITOL
Phoenix, Arizona 85007

Robert R. Corbin

September 10, 1982

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ARIZONA ATTORNEY GENERAL

INTERAGENCY

Mr. J. Elliott Hibbs, Director
Arizona Department of Revenue
State Capitol - West Wing
Phoenix, Arizona 85007

Re: I82-095 (R82-117)

Dear Mr. Hibbs:

By letter dated August 3, 1982, you asked for our opinion regarding the effective date of transaction privilege tax distributions to the new 15th county pursuant to A.R.S. § 42-1342. That section provides for monthly distribution of a portion of the transaction privilege tax collected to the various counties based on an average of the following two ratios:

1. The proportion that the assessed valuation used to determine secondary property taxes of each county, after deducting that part of such assessed valuation exempt from taxation at the beginning of the month for which the amount is to be paid, bears to the total assessed valuations used to determine secondary property taxes of all the counties after deducting that portion of such assessed valuations exempt from taxation at the beginning of the month for which the amount is to be paid.
2. The proportion that the tax monies collected under this article upon the gross proceeds or gross income from businesses engaged in within each county during the month in which the tax monies were collected bears to the total tax monies collected under this article throughout the state for the calendar month. (Emphasis added)

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From the foregoing language, it is apparent that the distribution is based on certain factors existing in the month in which the taxes to be distributed are collected.

With respect to the creation of new counties, A.R.S. § 11-144 provides as follows:

All county and other officers in the new county, except municipal and school district officers, shall be elected at the next general election and shall hold office as if originally elected within the county. When the board of supervisors has been elected in the new county and has entered upon its duties, all authority of the commissioners shall cease, and the new county shall be deemed organized.

A.R.S. § 11-211 provides that the county board of supervisors shall enter upon their duties on January 1 subsequent to their election, and shall hold office for four years. Consequently, the new county shall be deemed organized on January 1, 1983. Until the officers of the new county are elected and qualified, the new county is deemed not to exist for any purpose other than for completion of its organization. A.R.S. § 11-142.

Based on the foregoing, it is our opinion that the first distribution that the new county is entitled to receive pursuant to A.R.S. § 42-1342, will be a distribution from the transaction privilege taxes collected during January of 1983, since that is the first month in which the county is deemed organized. Since the distribution is made approximately three weeks after the close of the month in which the taxes are collected, the new county would actually receive its first distribution sometime in February of 1983.

Sincerely,



BOB CORBIN
Attorney General

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